

AMENDED IN SENATE SEPTEMBER 3, 2013

AMENDED IN SENATE JULY 3, 2013

AMENDED IN SENATE JUNE 25, 2013

AMENDED IN ASSEMBLY MAY 24, 2013

AMENDED IN ASSEMBLY MAY 1, 2013

AMENDED IN ASSEMBLY FEBRUARY 20, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 53

Introduced by Assembly Member John A. Pérez
(Coauthors: Assembly Members Fong, Fox, Medina, and Weber)

January 7, 2013

An act to amend Section 13997.6 of, and to add Section 12096.35 to, the Government Code, and to amend Section 1401 of the Labor Code, relating to economic development, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 53, as amended, John A. Pérez. Governor's Office of Business and Economic Development: biennial California Economic Development Strategic Plan.

The Governor's Office of Business and Economic Development serves as the Governor's lead entity for economic strategy and the marketing of California on issues relating to business development, private sector investment, and economic growth. The office, among others, makes recommendations to the Governor and the Legislature

regarding policies, programs, and actions to advance statewide economic goals.

This bill would require the office to lead the preparation of a California Economic Development Strategic Plan, as specified.

Existing law establishes the California Economic Development Fund in the State Treasury for the purpose of receiving federal, state, local, and private economic development funds, and receiving repayment of loans or grant proceeds and interest on those loans or grants.

This bill would provide that moneys in the fund may be expended by the Governor's Office of Business and Economic Development to provide matching funds for loans or grants to public agencies, nonprofit organizations, and private entities, and for other economic development purposes, consistent with the purposes for which the moneys were received, thereby making an appropriation.

Existing law provides that an employer, with certain exceptions, may not order a mass layoff, relocation, or termination, as defined, at a covered establishment without giving 60 days' prior written notice to employees and the Employment Development Department and other local agencies, as well as complying with specified federal guidelines.

This bill would require the employer to also provide written notice to the Governor's Office of Business and Economic Development and require the Employment Development Department to post the notice on its Internet Web site.

Vote: majority. Appropriation: ~~no~~-yes. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 12096.35 is added to the Government
- 2 Code, to read:
- 3 12096.35. (a) The office shall lead the preparation of a
- 4 California Economic Development Strategic Plan. In fulfilling this
- 5 duty, the office shall commission a study that includes, but is not
- 6 limited to, all of the following:
- 7 (1) Recommendations regarding an economic development
- 8 strategic plan for the state, covering a two-year period for the first
- 9 report and a three-year time period for subsequent reports and
- 10 containing a statement of economic goals for the state.
- 11 (2) Governmental and nongovernmental impediments to
- 12 economic development and a list of legislative, regulatory, and

1 administrative reforms necessary to ease those impediments and
2 improvements to the business climate and economy of the state.

3 (3) An evaluation of the effectiveness of the state's economic
4 development programs.

5 (4) A list of key industries in which the state shall focus its
6 economic development efforts, and strategies to foster job growth
7 and economic development covering all state agencies, offices,
8 boards, and commissions that have economic development
9 responsibilities.

10 (5) An evaluation of *proposals*, policies, and goals developed
11 at the regional level.

12 (6) Strengths and weaknesses of the California economy and
13 the state's prospects for future economic prosperity.

14 (7) Existing, emerging, and declining industries in California
15 and elsewhere.

16 (8) Effectiveness of California's economic development
17 programs in creating and retaining jobs and attracting industries.

18 (9) Adequacy of state and local physical and economic
19 infrastructure.

20 (10) Opportunities to leverage federal resources for state
21 priorities.

22 (11) Tactics for attracting private capital to the state and
23 investment in state priority areas.

24 (b) Upon completion of the study, the office shall convene a
25 stakeholder advisory group consisting of representatives from
26 businesses, labor unions, organizations representing the interests
27 of diverse ethnic and gender groups, local government leaders,
28 academic economists and business professors, chambers of
29 commerce and other business organizations, economic development
30 organizations, *economic development groups focusing on regional*
31 *economies*, government agencies, and key industries to assist with
32 evaluating and preparing the California Economic Development
33 Strategic Plan.

34 (c) The office shall submit a report of its findings and
35 recommendations regarding subdivision (a) to the Governor and
36 the Legislature no later than October 1, 2014, with the next report
37 due October 1, 2016, and every three years following that date.
38 The report shall be submitted to the Legislature in the manner
39 required pursuant to Section 9795.

(d) The office shall electronically deliver copies of the recommended California Economic Development Strategic Plan to every constitutional officer, legislator, member of the Governor's cabinet, and every state agency, office, board, and commission having economic development responsibilities.

(e) *In fulfilling the requirements of this section, the office may utilize portions of previous studies that satisfy the requirements of subdivision (a) to the extent feasible and relevant.*

(f) *The California Economic Development Strategic Plan may be funded in whole or in part by nonstate funds.*

(1) *The Governor's Office of Business and Economic Development may accept nonstate moneys, including, but not limited to, federal and private sector funds, for the purposes of developing the California Economic Development Strategic Plan. A donor shall not donate more than 25 percent of funding for the California Economic Development Strategic Plan. The private sector moneys shall be deposited in the California Economic Development Fund.*

(2) *For each donation that it receives to fund the California Economic Development Strategic Plan for this purpose, the Governor's Office of Business and Economic Development shall post a report on its Internet Web site within 30 days of receiving that donation. The report shall contain all of the following information: name and address of the donor, amount of the donation, and the date the donation was made.*

SEC. 2. *Section 13997.6 of the Government Code is amended to read:*

13997.6. (a) The California Economic Development Fund is hereby created in the State Treasury for the purpose of receiving federal, state, local, and private economic development funds, and receiving repayment of loans or grant proceeds and interest on those loans or grants.

(b) ~~Upon appropriation by the Legislature, Notwithstanding Section 13340,~~ moneys in the fund may be expended by the Governor's Office of Business and Economic Development, *without regard to fiscal year*, to provide matching funds for loans or grants to public agencies, nonprofit organizations, and private entities, and for other economic development purposes, consistent with the purposes for which the moneys were received.

1 ~~SEC. 2.~~

2 *SEC. 3.* Section 1401 of the Labor Code is amended to read:

3 1401. (a) An employer may not order a mass layoff, relocation,
4 or termination at a covered establishment unless, 60 days before
5 the order takes effect, the employer gives written notice of the
6 order to the following:

7 (1) The employees of the covered establishment affected by the
8 order.

9 (2) (A) The Employment Development Department, the
10 Governor's Office of Business and Economic Development, the
11 local workforce investment board, and the chief elected official
12 of each city and county government within which the termination,
13 relocation, or mass layoff occurs.

14 (B) The Employment Development Department shall, upon
15 receipt of the notice, post the notice on its Internet Web site.

16 (b) An employer required to give notice of any mass layoff,
17 relocation, or termination under this chapter shall include in its
18 notice the elements required by the federal Worker Adjustment
19 and Retraining Notification Act (29 U.S.C. Sec. 2101 et seq.).

20 (c) Notwithstanding the requirements of subdivision (a), an
21 employer is not required to provide notice if a mass layoff,
22 relocation, or termination is necessitated by a physical calamity
23 or act of war.